

LMSB AUDIT TECHNIQUE GUIDE (ATG) CHECKSHEET

STEP 1 PLANNING

- ☐ LMSB Subject matter experts (technical advisor or other specialist) will make the initial determination that a need exists for the creation of an ATG or to update an existing ATG. Existing ATGs should be reviewed at least annually to determine if they should be updated or made obsolete.

For new ATGs and major revisions:

- ☐ For LMSB projects – Experts working with industry/PFTG analysts will determine project ownership (Industry, Field Specialists, International, PQA or PFTG), scope and resources needed.
- ☐ For joint projects with other operating division (SB/SE or TEGE) – Experts working with both industry/PFTG analyst and analyst/specialist in other operating division will determine project ownership and prepare a joint project agreement addressing the project scope and resources needed.
- ☐ Secure approval for project from executive owner and, if applicable, co-owner.
- ☐ Determine project lead and select task force members, if needed and approved.
- ☐ Determine methods of information gathering. For new ATGs consider surveying the field or starting a Compliance Initiative Project (CIP) and obtain necessary approvals:
 - ❖ CIP approval See IRM 4.17, Compliance Initiative Projects
 - ❖ Survey approval (NTEU, OMB) See NTEU agreement.

STEP 2 DEVELOP OR REVISE ATG

- ☐ Develop and set a timeline with target dates to facilitate the completion of the ATG.
- ☐ Draft an outline of the ATG. The scope of the ATG can address one issue or encompass several issues associated with an industry or type of return. The content generally will include a discussion of the issue(s), examination techniques, supporting law and other information to assist the examiner.
- ☐ Conduct necessary information gathering and research.
- ☐ Industry/Issue Counsel should be actively involved in drafting the ATG and consult with Chief Counsel as issues arise during the development.
- ☐ Draft ATG following the guidelines below:
 - ❖ Create document in Microsoft Word, and save the files by individual Chapters, if lengthy. **For Example:** Ch-01 Retail ATG 101705.doc, Ch-02 Retail ATG 101805.doc etc.
 - ❖ To comply with §508 of the Rehabilitation Act, avoid use of images (e.g. flowcharts, decision trees, etc.). If an image must be included, the document must have a text equivalent to describe the purpose or content of the image.
 - ❖ Write out your formulas. Use the following as an example:

Incorrect:

$$\frac{100,000 + 10,000}{500,000 + 50,000} = 20\% \text{ complete}$$

Correct:

$$(100,000 + 10,000) \div (500,000 + 50,000) = 20\% \text{ complete}$$

LMSB AUDIT TECHNIQUE GUIDE (ATG) CHECKSHEET

- ❖ Avoid disclosure of OUO/SBU information (taxpayer/case information, classification material)
- ❖ Avoid copyright violations, include acknowledgement of permission from copyright holder to include copyrighted material.
- ❖ Direct links to Tax Codes and Regulations cannot be made. Utilize the IRS's Tax Code, Regulations and Other Published Guidance page located at <http://www.irs.gov/taxpros/article0,,id=98137,00.html>
- ❖ If private letter rulings and technical advice memorandums are referenced, include a disclaimer that they not be cited as legal precedence.
- ❖ Try to limit the amount of external links within your ATG which have the potential of changing and causing broken links.
- ❖ **Do not** add links to IRweb content that is located behind the firewall. External Customers will not be able to access this information.
- ❖ Remove all watermarks from the final document.
- ☐ Consider requesting comments from taxpayers or industry associations on the draft ATG. See IRM 4.51.2, LMSB Administrative Guidance.
- ☐ Label the document as follows:
 - ❖ Insert Title – Draft Audit Technique Guide or Handbook for XXX.
 - ❖ Add Disclaimer (at the bottom of first page: "This document is not an official pronouncement of the law or the position of the Service and cannot be used, or cited or relied upon as such.")
- ☐ Review final document (TA/Team including Industry Counsel).
- ☐ Prepare concise general statement on the ATG content for congressional review purposes.
- ☐ Prepare transmittal memorandum for signature of the issuing official for purposes of transmitting the ATG and providing contact information.
- ☐ Complete the Document Publication Checksheet and the Content Publishing Request (CPR) Form.

STEP 3 CLEARANCE OF ATG

- ☐ TA Manager/Project Manager Reviews ATG for:
 - ❖ Clarity and tone;
 - ❖ Technical Content;
 - ❖ Disclosure of OUO/SBU information (taxpayer /case information, classification material);
 - ❖ Copyright violations;
 - ❖ Coordination with assigned Area/Division Counsel; and
 - ❖ Proper labeling.
- ☐ TA Manager/Project Manager approves and emails to the responsible Industry/Function IMD Coordinator:
 - ❖ ATG document file(s);
 - ❖ Transmittal memorandum for Director's signature containing the name and telephone number of contact(s)/author(s);

LMSB AUDIT TECHNIQUE GUIDE (ATG) CHECKSHEET

- ❖ Concise general statement;
- ❖ Document Publication Checksheet and CPR form
- ❖ List of offices that need to review the ATG. Generally, ATGs will be cleared through LMSB Counsel, Disclosure, Industry Directors, Director, Field Specialists, Director, International, and other impacted operating divisions (e.g., SB/SE, TE/GE). If ATG was previously coordinated with another office, include the name and office of person involved.
Note: ATG's are not cleared through Chief Counsel unless Industry/Issue Counsel deems it necessary.

- ☐ Industry/Function IMD coordinator reviews document, prepares Form 2061, Document Clearance Record, and emails Form 2061 and document to reviewers. Industry/Function IMD Coordinator sends reviewers' comments back to the author to have them considered and incorporated (as needed).
- ☐ Author addresses comments, makes necessary edits and does the following:
 - ❖ removes the word "Draft;"
 - ❖ obtains the LMSB Control # from the LMSB IMD Coordinator;
 - ❖ Inserts in upper right hand side of each page:
 - LMSB Control # (leave # blank until document is ready for finalizing);
 - Impacted IRM (IRM 4.51.2, LMSB Administrative Guidance and any other IRM/Handbook impacted); and
 - Date of document/chapter.
 - ❖ inserts LMSB Control # on the transmittal memo, and
 - ❖ sends the ATG and memo to the Industry/Function IMD Coordinator.
- ☐ Industry/Function IMD Coordinator reviews the final document to ensure that all necessary changes have been made. If not, determine if document should be re-cleared through reviewer(s). Once document is finalized, Industry/Function IMD Coordinator obtains the responsible Director's approval on Document Clearance and transmittal memo.
- ☐ Industry/Function IMD Coordinator prepares the Congressional Review Act (CRA) Forms.

STEP 4 ISSUANCE OF ATG

- ☐ Industry/Function IMD Coordinator emails the Document Publication Checksheet, the CPR form, ATG document, concise general statement, completed CRA forms to the PQA IMD Congressional Review Coordinator.
- ☐ PQA IMD Congressional Review Coordinator prints CRA forms and documents, and assembles the Congressional package and delivers package to Chief Counsel Regulations Unit.
- ☐ PQA IMD Congressional Review Coordinator will complete Document Publication Checksheet to record date package submitted for Congressional review. PQA IMD Congressional Review Coordinator notifies the Industry/Function IMD Coordinator of delivery.
- ☐ PQA IMD Congressional Review Coordinator submits document, Document Publication Checksheet and CPR form to LMSB Content Publisher to post to IRS.gov on the ATG web page.
- ☐ LMSB Content Publisher:

LMSB AUDIT TECHNIQUE GUIDE (ATG) CHECKSHEET

- ❖ Will post the final document in HTML on IRS.gov.
 - ❖ Will prepare document in PDF format for IRS.gov.
 - ❖ Will notify the author and the assigned Content Publisher of the document's IRS.gov URL.
- ☐ Author will send to LMSB Communications a news item to communicate issuance and post link to Director's web page with contact information.